



1569/83

26 February 1983

MEMORANDUM FOR: Deputy Director for Intelligence
FROM: Director of Central Intelligence
SUBJECT: Long Range Estimates

1. This note about Egypt's dependence on Ethiopia for water twenty years out when its population reaches 70 million suggests to me that we might develop an estimative or research project gathering such long range problems as can be perceived now, i.e. water with respect to Lebanon, Jordan and Israel, and probably a lot of other countries, population as tipping the political balance in South Africa, economic balance in Mexico, oil and mineral supply requirements as altering the economic prospects in some countries for better and others for worse, etc.

2. Side by side with this we should take a look at resource availability and economic needs in economic depressed Third World countries and how the application of Western technology and financial guarantees would accelerate resource development and the meeting of specified needs. The focus of this would be to point up opportunities to utilize Western technology and financial strength to reverse the downward economic spiral which threatens the Third World and also our own financial structure. Both George Shultz and Don Regan, as well as Helmut Schmidt in a speech last week, have expressed the need to address the threat to the international financial structure by promoting growth rather than imposing austerity. We should see what we can do to pinpoint opportunities to and methods of shifting gears in this way.

3. I attach one application of this concept suggested by a former president of First National Bank of Chicago who is now President of Occidental Petroleum.

William J. Casey

Attachment:
As stated
cc: NIO/Economics



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